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NOTE

ON THE

POSITION OF THE

IMPERIAL GOVERNMENT

DURING THE

SIXTH PROVINCIAL SETTLEMENT
1901-02 TO 1904-1905,

BY

O. T. BARROW, I. C. S.,
ACCOUNTANT GENERAL.

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NOTE ON THE POSITION OF THE IMPERIAL GOVERNMENT DURING THE SIXTH PROVINCIAL SETTLEMENT, 1901-02 TO 1904-05.

As requested in Government Memorandum, Financial Department, No. 1522, dated 28th April 1904, I have the honour to submit a brief note on the position of the Imperial Government during the years 1901-02 to 1904-05.

2. The total Imperial revenue and expenditure are shown in statements A and B. The figures for 1903-04 are subject to correction as the books have not been finally closed. For 1904-05, I have taken the figures of the sanctioned estimates for the purposes of this review. It is possible that when actuals become available the figures for 1904-05 may require considerable modifications.

3. In the statements the purely Imperial revenue and expenditure have been stated first and the figures for the heads which are divided in a fixed proportion have been stated afterwards. The explanations under divided heads in section II of the note on the position of the Provincial Government apply equally to the Imperial shares and a reference is invited to that note in respect to those heads. Explanations regarding variations in wholly Imperial revenue and expenditure are given in the following paragraphs :—

II.—Opium.

	Actuals.			Budget.
	1901-1902.	1902-1903.	1903-1904.	1904-1905.
	Rs.	Rs.	Rs.	Rs.
Opium Pass Fees ... ... } Miscellaneous ... ... }	81,75,788	99,59,011	1,31,15,903	1,15,00,000

		Rs.
Average ...	1897-98 to 1901-02 ...	1,22,88,480
	1901-02 to 1904-05 ...	1,06,87,675

4. In the two earlier years, exports were low partly in consequence of the failure of the crops and partly on account of disturbed conditions in China. In the previous five years the revenue had averaged Rs. 1,22,88,480. The revenue under this head is, however, liable to large fluctuations.

III.—Salt.

	Actuals.			Budget.
	1901-02.	1902-03.	1903-04.	1904-05.
	Rs.	Rs.	Rs.	Rs.
Customs duty on Salt	6,38,126	6,84,825	5,64,598	5,70,000
Proceeds of sale of Government Salt ...	5,71,469	5,74,377	5,96,754	5,83,000
Excise duty on Salt	2,20,04,776	2,27,08,653	1,73,68,982	1,72,30,000
Treaty Price of Salt	2,368	3,061	2,137	3,000
Carriage and Freight	22,911	33,514	23,609	24,000
Total ...	2,32,39,650	2,40,04,430	1,85,56,080	1,84,10,000

		Rs.
Average ...	1897-98 to 1901-02 ...	2,30,99,631
	1901-02 to 1904-05 ...	2,10,52,540

5. The large drop in the revenue, in both the average and that of the last two years, is of course due to the reduction of the Excise duty from Rs. 2-8-0 to Rs. 2-0-0 from 18th March 1903. A further cause of decline in the last two years is the destruction of stocks by untimely rain. The revenue was the highest in 1902-1903, in consequence of increased facilities offered by the Southern

Mahrátta Railway for the carriage of Goa salt over their line, of increased facilities for through booking offered for the export of salt from Khárágoda, and of the duty on salt sold on bond in 1901-1902 having been actually realised in 1902-1903.

VII.—Customs.

	Actuals.			Budget.
	1901-1902.	1902-1903.	1903-1904.	1904-1905.
	Rs.	Rs.	Rs.	Rs.
Sea Customs :—				
Imports	2,20,22,061	2,11,71,049	2,10,74,720	2,10,51,000
Exports	4,92,517	4,79,362	4,26,321	4,32,000
Miscellaneous	95,172	83,451	89,956	82,000
Land Customs	69,237	54,946	1,10,619	70,000
Excise Duty on Cotton Manufactures	15,26,103	15,84,121	17,64,527	18,41,000
Total ...	2,42,05,090	2,33,72,929	2,34,66,143	2,34,76,000

		Rs.
Average ...	1897-98 to 1901-02	... 1,83,53,291.
	1901-02 to 1904-05	... 2,36,30,041.

6. In 1901-1902 the imports were very heavy and the duty realised exceeded the previous year's figures by a large amount, the largest increases being under "Sugar," "Cotton manufactures," "Silver bullion and coin" and Manufactured articles. In 1902-1903 the import duties declined, the largest decrease being in the duty on "Sugar." There was a further large decline in "sugar" duties in 1903-1904, but in consequence of increased receipts from duties on spirits and liquors, cotton manufacturers, silver bullion and coin and manufactured articles, the deficiency was made up. The estimate of 1904-1905 provides for revenue on the understanding that agricultural prospects will be normal. The export duties show a steady decline in consequence of the advent of better times in Cutch, Káthiáwár and other foreign ports which imported less rice each year than in the preceding. The increase in Land Customs in 1903-1904 is due chiefly to larger imports from Goa, where better facilities for export now exist. The receipts from Excise duty on cotton goods have improved in consequence of improved conditions in the cotton industry.

The average receipts show a large increase due, no doubt, to the disappearance of famine.

VIII.—Assessed Taxes.

	Actuals.			Budget.
	1901-1902.	1902-1903.	1903-1904.	1904-1905.
	Rs.	Rs.	Rs.	Rs.
Tax on Surplus Profits of Railway Companies—				
G. I. P. Railway	11,989	7,818	8,566	9,000
B. B. & C. I. Railway	67,766	38,559	37,207	42,000
R.-M. Railway	359	147	...	...
S. M. Railway	13,068	13,154	7,519	15,000
Total ...	93,182	59,678	53,292	66,000

		Rs.
Average ...	1897-98 to 1901-02	... 1,03,745
	1901-02 to 1904-05	... 68,038

7. The high actuals under this head for the year 1901-1902 were due to the recovery of arrears from the B. B. & C. I. Railway Company and to the recovery of the tax from the G. I. P. Railway Company. The decrease in 1902-1903 was due to the fact that the actuals of the previous year included recoveries of arrears from the B. B. & C. I. Railway, while the further decrease in 1903-1904 was due chiefly to a falling off in the traffic earnings of the S. M. Railway.

XI.—Tributes from Native States.

	Actuals.			Budget.
	1901-1902.	1902-1903.	1903-1904.	1904-1905.
	Rs.	Rs.	Rs.	Rs.
1. Tributes from Káthiáwár ...	5,16,812	5,14,924	5,90,814	5,53,000
2. Tributes from various Petty States ...	50,449	64,535	67,071	40,000
3. Contributions from Jághirdárs, Southern Marátha Country	76,146	92,653	90,923	82,000
4. Contribution from the Baroda State ...	3,55,075	3,72,478	4,11,948	4,00,000
5. Subsidy from Cutch	1,86,950	1,86,950	1,86,950	1,87,000
6. Fees on Succession to Native States ...	1,21,073	1,81,223	81,620	4,53,000
Total ...	13,06,505	14,12,763	14,29,326	17,15,000

		Rs.
Average ...	1897-98 to 1901-02 ...	14,87,693
	1901-02 to 1904-05 ...	14,65,898

8. The average receipts show a falling off as compared with the receipts in previous years. The full amount of the Tributes from Káthiáwár could not be recovered in 1901-1902 and 1902-1903; in 1903-1904 some of the arrears were recovered. The budget for 1904-1905 provides for a year's normal demand on the understanding that though the current demand may not be recovered in full, some arrears may be recovered. Under "Tributes from various Petty States," some amounts remained in arrears in 1901-1902; in the next two years some of the arrears were recovered. The budget for 1904-1905 is low, as some remissions were expected and have since been sanctioned. Under the next head "Contributions from Jághirdárs, Southern Marátha Country," also some of the dues remained in arrears at the end of 1901-1902. These were partly recovered in 1902-1903 and partly in 1903-1904. The budget for 1904-1905 provides for the normal demand. The annual amount due on account of "Contributions from the Baroda State" is Rs. 3,75,000. These recoveries are actually made from various petty states, the contributions due by whom to Baroda were assigned to the British Government. In consequence of the famine the full recoveries were not made in 1901-1902 and 1902-1903; in 1903-1904 a part of the arrears were recovered and in 1904-1905 arrears to the extent of Rs. 25,000 are expected to be recovered. The fees on succession to Native States vary according to the importance of the states in which a new succession takes place. The large provision in 1904-1905 includes Rs. 4,00,000 due from the Sángli State.

XII.—Interest.

	Actuals.			Budget.
	1901-1902.	1902-1903.	1903-1904.	1904-1905.
	Rs.	Rs.	Rs.	Rs.
1. Interest on Imperial Advances and Loans	14,72,378	16,40,366	22,73,848	13,67,000
2. Interest on arrears of Revenue ...	3,780	1,327	8,205	2,000
3. Percentage from subscribers to the U. S. F. Pension Fund on Foreign Service .	886	634	512	1,000
4 Miscellaneous	11,667	638	976	1,000
5. Interest on overdrawn Capital of Railway Companies	6	6	...	...
Total ...	14,88,717	16,42,971	22,83,541	13,71,000

		Rs.
Average ...	1897-98 to 1901-02 ...	14,39,564
	1901-02 to 1904-05 ...	16,96,557

Details of (1).

(*a*) Interest on Loans to Presidency Corporations	13,57,398	13,51,193	22,53,670	13,38,000
(*b*) Interest on Loans to Native States ...	1,13,640	2,82,874	14,878	24,000
(*c*) Interest on Loans to Land-holders, &c.	...	3,971	3,671	3,000
(*d*) Interest on Loans to District Committees, &c.	1,340	2,328	1,629	2,000
Total ...	14,72,378	16,40,366	22,73,848	13,67,000
Balances of Imperial Loans and Advances on 31st March—				
Balance of Loans to Presidency Corporations	3,27,33,429	3,27,06,743	3,26,79,587	3,12,56,587
Balance of Loans to Native States ...	98,32,292	1,23,21,113	1,12,59,459	1,12,62,821
Balance of Loans to Land-holders and District Committees, &c. ...	1,41,834	1,41,384	1,29,954	1,15,954
Total ...	4,27,07,555	4,51,69,240	4,40,69,000	4,26,35,362

9. From the details of "1 Interest on Imperial Advances and Loans," it will be observed that there has been a decrease every year in the receipts of Interest on the Loans to Presidency, &c. Corporations, due to the progressive increase in the interest on the Sinking Funds of the Bombay Port Trust, Victoria Dock Loan, which is adjusted by deduction from the receipts under this head. The increase in the year 1903-04, is on account of the interest on Capital Debt of the Bombay Port Trust, due in 1904-05, having been paid by the Trust, a few days early, *i.e.*, in 1903-04. The Budget for 1904-05 will consequently probably not be realised.

The recoveries of interest on Loans made to Native States on account of the Famine were high in the years 1901-02 and 1902-03, but owing to the concessions sanctioned by the Government of India, remitting three years interest on advances made and outstanding up to 31st October 1902, there has been a decrease in the subsequent years. The high receipts under Miscellaneous in 1901-02 were due to a special receipt of Rs. 11,000 from the Bank of Bombay on account of advances made to it.

The increase in the average is due to the receipts from Native States.

XV.—Mint.

	Actuals.			Budget.
	1901-02.	1902-03.	1903-04.	1904-05.
	Rs.	Rs.	Rs.	Rs.
1. Fees for coining silver	6,41,502	6,90,150	2,95,729	4,00,000
2. Gain on coinage operations	44,88,977	49,00,856	3,20,18,449	20,00,000
3. Sale of old stores and materials ...	2,494	2,489	1,557	2,000
4. Private Assay Fees	1,850	1,291	536	1,000
5. Miscellaneous	10,707	8,920	18,008	2,000
Total ...	51,45,530	56,03,706	3,23,34,279	24,05,000

		Rs.
Average ...	1897-98 to 1901-02 ...	72,16,927
	1901-02 to 1904-05 ...	1,13,72,128

10. The average of the receipts show a large increase. The increase mostly falls under the second minor head, "Gain on coinage operations", and is due to large rupee coinage on Government account and the recoinage undertaken for

the Kotah, Jhalawar, Bundi, Cambay and Indore States. The increase, however, does not affect the surplus as the net gain is debited as a Mint charge and transferred to the Gold Reserve Fund. The receipts under the first minor head "Fees for coining silver" represent chiefly fees for coining dollars. This coinage was heavy in 1901-02 and 1902-03, but fell off in 1903-04 in consequence of the changes in the currency of the Straits Settlements. The increase in the actuals of 1903-04 under Miscellaneous was principally due to receipts on account of fees for melting silver tendered by private parties.

XXII.—Receipts in aid of Superannuation.

	Actuals.			Budget.
	1901-02.	1902-03.	1903-04.	1904-05.
	Rs.	Rs.	Rs.	Rs.
1. Subscriptions to the Military Fund ...	12,653	5,040	2,648	3,000
2. Subscriptions to the Military Orphan Fund	...	...	...	...
3. Subscriptions under the Indian Civil Service Family Pension Regulations .	42,639	64,139	87,627	83,000
4. Subscriptions to the Bengal Civil Fund .	5,958	5,338	3,191	6,000
5. Subscriptions to the Bombay Civil Fund.	43,352	36,458	34,357	36,000
Total ...	1,04,602	1,10,975	1,27,823	1,28,000

		Rs.
Average ...	1897-98 to 1901-02 ...	1,22,690
	1901-02 to 1904-05 ...	1,17,850

11. The decrease in the average is due to the falling off in the Subscriptions to the Military Fund (which is closed to new entrants). The Subscriptions to the Bombay Civil Fund are decreasing, but there is a more than compensating increase in the Subscriptions under the Indian Civil Service Family Pension Regulations.

XXIII.—Stationery and Printing.

	Actuals.			Budget.
	1901-1902.	1902-1903.	1903-1904.	1904-1905.
	Rs.	Rs.	Rs.	Rs.
1. Stationery Receipts	1,771	778	1,768	2,000
2. Stationery supplied to the Berár Administration	34,321	...	...	...
Total ...	36,092	778	1,768	2,000

		Rs.
Average ...	1897-98 to 1901-02 ...	52,060
	1901-02 to 1904-05 ...	10,159

12. The Stationery receipts are small and not subject to much variation. With the transfer of the Berárs to the Government of India, the cost of stationery supplied to that administration is adjusted by debit to the Berar accounts and credit to the Government of India.

XXV.—Miscellaneous.

	Actuals.			Budget.
	1901-02.	1902-03.	1903-04.	1904-05.
	Rs.	Rs.	Rs.	Rs.
1. Gain by Exchange	4,685	1,900	1,063	4,000
2. Premium on Bills	31,646	43,004	43,400	48,000
3. Unclaimed Bills of Exchange of more than three years' standing	128	192	135	...
4. Fees for Government Audits ...	11,505	11,375	15,150	15,000
5. Percentages chargeable on European Stores for Provincial and Local Funds ...	5,156	7,054	4,944	6,000
6. Extraordinary Items	3,028	5,693	5,626	...
7. Miscellaneous	...	...	...	...
8. Recoveries of Famine Relief Charges ...	5,746	75,615	95,522	3,12,000
Total ...	61,894	1,44,833	1,65,840	3,85,000

		Rs.
Average ...	1897-98 to 1901-02 ...	1,51,610
	1901-02 to 1904-05 ...	1,89,392

13. The figures do not show any very material variations except under the last head, but the receipts from Premium on Bills were lower than usual in 1901-02. The recoveries on account of Famine Relief Charges were on the following accounts:—

	Actuals.			Budget.
	1901-02.	1902-03.	1903-04.	1904-05.
	Rs.	Rs.	Rs.	Rs.
Sale of Materials, Cost of Establishment, &c.	5,746	2,390	22,100	...
Value of Earthwork—Amalner-Dharangaon Railway ...	...	19,166	...	...
Do. Ahmedabad-Dholka Railway ...	...	54,059	...	...
Do. Baroda-Godhra Chord Railway ...	...	...	49,514	...
Do. Bársi-Pandharpur and Tadvala Extensions	...	...	...	3,12,000
Do. Stone ballast, G. I. P. Railway ...	...	...	4,982	...
Do. G. I. P. and Tápti Valley Railways	...	...	6,888	...
Cost of construction of Pond-Borkus Road wrongly charged as Famine Expenditure re-adjusted	...	...	12,038	...
Total ...	5,746	75,615	95,522	3,12,000

1—Refunds and Drawbacks.

	Actuals.			Budget.
	1901-1902.	1902-1903.	1903-1904.	1904-1905.
	Rs.	Rs.	Rs.	Rs.
1. Opium	103	19	11	...
2. Salt	1,07,606	88,843	50,459	70,000
3. Customs { Refunds	4,48,018	9,09,528	5,29,629	1,88,000
3. Customs { Drawbacks	3,10,686	3,97,717	3,48,271	3,65,000
Total ...	8,66,413	13,96,107	9,28,370	6,23,000

		Rs.
Average	1897-1898 to 1901-1902 ...	5,95,702
	1901-1902 to 1904-1905 ...	9,53,472

14. The actuals under *Salt* Refunds were very high in 1901-1902 owing to the payment of arrear charges of wastage allowances. The absence of these charges in 1902-1903 accounts for the decrease under this head for that year, while the further decrease in the actuals of 1903-1904 was due to a fall in the Salt Revenue, owing to depleted stocks, and a reduction in the duty on salt. The large increase in the actuals of 1902-1903 under *Customs* Refunds was mainly in Sind, and to a small extent in the Presidency proper and was due to the refunds of the excess of countervailing duties on sugar and to large payments to the Kashmir Darbár, chiefly in consequence of larger exports of bounty-fed and other sugar, spirits, &c., to that State. The increase under Customs Drawbacks in 1902-1903 was due to an increase in the re-exports of sugar and silver, both in Sind and Presidency proper. The decrease in the actuals of 1903-1904 under both Refunds and Drawbacks was mainly due to the absence of or decrease in the special charges noted above.

In the budget estimates for 1904-1905 provision has been made on a reduced scale under *Customs* Refunds as the heavy refunds of duty on bounty-fed sugar, will not recur, while for Customs Drawbacks an increase has been allowed for in view of the general improvement in trade.

2.—Assignments and Compensation.

	Actuals.			Budget.
	1901-1902.	1902-1903.	1903-1904.	1904-1905.
	Rs.	Rs.	Rs.	Rs.
Salt Compensations	...	...	1,576	2,000
Total ...	...	...	1,576	2,000

		Rs.
Average ...	1897-1898 to 1901-1902 ...	1,315
	1901-1902 to 1904-1905 ...	894

15. These are on account of arrears of compensations for Salt Pans in Portuguese India, payable under the award of the Mixed Commission of 1885. The arrears still remaining, if any, must be of small amounts.

4.—Opium.

	Actuals.			Budget.
	1901-02.	1902-03.	1903-04.	1904-05.
	Rs.	Rs.	Rs.	Rs.
Other Opium Agencies and Establishments .	25,826	29,253	24,609	26,000

16. There was not much variation in the expenditure. In 1902-1903 some payments were made to officers of other provinces.

5.—Salt.

	Actuals.			Budget.
	1901-02.	1902-03.	1903-04.	1904-05.
	Rs.	Rs.	Rs.	Rs.
1. Salaries, Establishment and Contingencies	9,60,175	9,33,388	9,66,610	9,74,000
2. Salt Purchase and Freight	3,67,258	4,04,469	3,97,289	4,27,000
3. Preventive Establishments ...	3,84,870	3,82,788	4,11,674	4,44,000
Total ...	17,12,303	17,20,645	17,75,573	18,45,000

		Rs.
Average ...	1897-98 to 1901-02 ...	17,25,700
	1901-02 to 1904-05 ...	17,63,382

17. As compared with 1900-01, there was a decline in 1901-02 in the first and third minor heads, due to a decrease in the grain compensation charges. The actuals of 1901-02 under "Salt Purchase and Freight" were normal, but in 1900-01, the charge was low owing to stocks being on hand from purchases in previous years. The increase in the actuals of 1902-03 under "Salt Purchase and Freight," was due to a better production of salt in Sind. The charges for establishment in that year declined in consequence of the stoppage of grain compensation allowances.

In 1903-04 there was an increase under the first and third minor heads, the increase under the former being due chiefly to higher charges for clothing, and bagging and sewing, and in the latter to the payment of Rs. 7,664 to the Desai of Patri in full satisfaction of all claims for the land acquired for patrol path on the Northern Frontier Line (G. R., R. D., No. 4410, dated 4th July 1903), to the establishment charges of a Customs line along the land frontier between the Kathiawar State and British India (G. R., R. D., No. 7050, dated 9th October 1903) and to the realignment of the Daman Frontier.

The Budget Estimates for 1904-05 provide for charges according to sanctioned scale, the increase in the provision for Salt Purchase and Freight, as compared with the previous year's actuals, being due to the manufacture of salt having been increased to provide a reserve, the old stock at Maurypur having been destroyed by the cyclone of 1902.

9.—Customs.

	Actuals.			Budget.
	1901-1902.	1902-1903.	1903-1904.	1904-1905.
	Rs.	Rs.	Rs.	Rs.
Sea Customs— Salaries, Establishments and Contingencies.	8,65,052	8,84,678	9,13,071	10,05,000

		Rs.
Average ...	1897-98 to 1901-02 ...	8,35,828
	1901-02 to 1904-05 ...	9,16,950

18. The charge for 1901-1902 was in excess of that for 1900-1901; owing to leave and absentees, the charges for Salaries and Establishment were higher, and arrears of grain compensation were paid. In 1902-1903 larger payments of salaries, in consequence of absentees, and travelling allowances, and the revision of the establishment of the Karáchi Customs House (G. R., R. D., No. 6440, dated 16th September 1902), caused a further increase. The increase in 1903-1904 was due to special charges for the purchase of boats.

The budget estimates for 1904-1905 include a lump provision of Rs. 1,05,000 for the revision of the Customs Establishment in Bombay. The revision was sanctioned in G. R., R. D., No. 2708, dated 11th April 1904.

The increase in the average expenditure was due to the revision of the establishments of the Bombay and Karáchi Custom-houses.

14.—Interest on Other Obligations.

	Actuals.			Budget.
	1901-02.	1902-03.	1903-04.	1904-05.
	Rs.	Rs.	Rs.	Rs.
1. Interest on Educational Funds ...	7,773	7,773	23,883	13,000
2. Interest on Charitable Funds ...	32,150	32,150	32,150	32,000
3. Interest on Soldier's Deposits in Savings Banks	8,526	...	...	...
4. Interest on Uncovenanted Service Family Pension Fund	1,14,397	1,21,083	1,24,355	1,30,000
5. Interest on Bombay Uncovenanted Service Family Pension Fund Life Assurance Branch	4,184	3,794	3,888	4,000
6. Interest on Miscellaneous accounts ...	4,740	5,460	4,753	6,000
7. Interest on Loans from the late King of Oudh—Wasika Pensions	55,262	55,990	60,930	56,000
8. Interest on Forest Officers' Provident Fund	3,060	3,536	3,872	5,000
Do. Police Officers' Provident Fund .	789	1,469	2,227	3,000
9. Interest on Cemetery Endowment Fund .	1,362	1,454	1,535	2,000
10. Refunds	192	438	10,712	1,000
Total ...	2,32,435	2,33,147	2,68,305	2,52,000

		Rs.
Average ...	1897-98 to 1901-02 ...	2,22,356
	1901-02 to 1904-05 ...	2,46,472

19. The increase in the average of actuals of the period under review as compared with that of the previous five years is partly due to the gradual increase in the charges for interest on the Uncovenanted Service Family Pension Fund. The actuals of 1903-04 under other heads are higher than those of 1901-02 or 1902-03, the increase being due (1) to the arrear payment of Interest on Educational Funds and of Wasika Pensions and (2) to the adjustment under "Refunds" of Rs. 10,114 on account of an amount erroneously credited as Revenue in the previous year in connection with certain loans in the Pálanpur Agency. The absence of charges under Interest on Soldier's Deposits in Savings Bank from 1902-03 is due to the closure of the Regimental Savings Banks with effect from 1st April 1902.

17.—Mint.

	Actuals.			Budget.
	1901-1902.	1902-1903.	1903-1904.	1904-1905.
	Rs.	Rs.	Rs.	Rs.
1. Mint and Assay Master's Establishments and contingencies	3,35,787	3,04,941	3,15,239	2,87,000
2. Loss on coinage	2,11,845	7,29,631	5,99,006	3,00,000
3. Purchase of local stores	48,788	58,720	81,087	85,000
4. Net profit on coinage transferred to the Gold Reserve Fund	35,83,704	39,60,414	2,98,77,336	18,50,000
Total ...	41,80,124	50,53,706	3,08,72,668	25,22,000

		Rs.
Average ...	1897-98 to 1901-02 ...	67,32,769
	1901-02 to 1904-05 ...	1,06,57,124

20. The average expenditure shows a large increase. To arrive at a fair estimate, however, the charge for the transfer of the net profits on silver coinage to the gold Reserve account should be excluded. Even when this is done, the

average shows an increase which is due to heavy work done by the Mint, requiring larger expenditure on temporary establishment, overtime allowances, freight on English stores and purchase of stores. In 1901-02 the work of recoinage of Kotah and other Native States was taken up, while in 1902-03 the Mint was engaged in the Dollar coinage and recoinage of the Indore State. In 1903-04 heavy rupee coinage on Government account was carried out.

18.—General Administration.

	Actuals.			Budget.
	1901-02.	1902-03.	1903-04.	1904-05.
	Rs.	Rs.	Rs.	Rs.
1. Civil Offices of Account and Audit ...	2,75,063	2,76,647	2,64,990	2,84,000
2. Currency Department	83,493	88,586	89,430	91,000
3. Allowances to Presidency Banks ...	56,474	58,103	59,930	60,000
Total ...	4,15,030	4,23,336	4,14,350	4,35,000

		Rs.
Average ...	1897-98 to 1901-02 ...	4,14,829
	1901-02 to 1904-05 ...	4,21,929

21. The variations in the first two minor heads were chiefly under "Salaries," due to changes in the grades of officers holding the appointments. The gradual increase in the third minor head was due to the increase in the business of Public Debt Duties in consequence of new loans.

23.—Ecclesiastical.

Actuals.			Budget.
1901-1902.	1902-1903.	1903-1904.	1904-1905.
Rs.	Rs.	Rs.	Rs.
3,39,497	3,20,279	3,48,030	3,62,000

		Rs.
Average ...	1897-98 to 1901-02 ...	3,40,803
	1901-02 to 1904-05 ...	3,42,451

22. The actuals for 1902-1903 were low owing to the absence of a large number of officers on leave. The Budget for 1904-1905 provides for the increase in the number of Chaplains recently sanctioned (G. R., E. D., No. 25, dated 25th July 1903).

25.—Political.

	Actuals.			Budget.
	1901-02.	1902-03.	1903-04.	1904-05.
	Rs.	Rs.	Rs.	Rs.
1. Political Agents	2,42,381	3,15,953	3,78,861	3,05,000
2. Entertainment of Envoys and Chiefs ...	10,684	18,144	23,645	11,000
3. Darbár presents and allowances to Vakils .	50,200	47,953	82,518	40,000
4. Special Political Expenditure ...	17,339	1,33,688	1,37,136	2,63,000
5. Refugees and State Prisoners ...	1,67,289	1,38,970	94,287	93,000
6. Miscellaneous	—174	...	...	1,000
Total ...	4,87,719	6,54,708	7,16,447	7,13,000

		Rs.
Average ...	1897-98 to 1901-02 ...	5,18,643
	1901-02 to 1904-05 ...	6,42,968

23. The charges for 1901-1902 exceeded the actuals of 1900-1901 by Rs. 50,837. At the Aden Residency extra expenditure was incurred on account of telegrams and also Darbár presents owing to the special presents sanctioned in G. I., F. & C. D., No. 3186-A., dated 11th June 1902. The Aden Boundary Commission commenced work in 1901-1902, and the figures shown against "Special Political Expenditure" represent expenditure on its account. In 1902-1903 and 1903-1904, the high expenditure under the first 3 minor heads was due to expenditure on telegrams, entertainment of Chiefs and presents at Aden. The decline in the charges for Refugees and State Prisoners is due to death of a follower of Sardar Hashimkhan and the transfer of certain allowances to the Punjáb.

26—Scientific and other Minor Departments.

	Actuals.			Budget.
	1901-02.	1902-03.	1903-04	1904-05.
	Rs.	Rs.	Rs.	Rs.
1. Preservation and Translation of ancient Manuscripts	2,128	3,040	3 000	3,000
2. Veterinary and Stallion Charges ...	34,363	30,758	34,308	43,000
3. Census	1,13,850	5,018	—461	...
4. Ethnographic Survey	281	1,494	1,795	3,000
Total ...	1,50,622	40,310	38,642	49,000

Rs.

Average ... { 1897-98 to 1901-02 ... 70,789
1901-02 to 1904-05 ... 69,643

24. The variations in the actuals of the different years is due to the Census charges. Eliminating these, the only item which calls for remark is the increase in the Veterinary and Stallion Charges in 1904-05. This is due to an increase to the pay of the Principal, Veterinary College. The charges for Ethnographic Survey did not appear in previous years.

27.—Territorial and Political Pensions.

	Actuals.			Budget.
	1901-02.	1902-03.	1903-04.	1904-05.
	Rs.	Rs.	Rs.	Rs.
1. Territorial and Political Pensions ...	5,53,327	5,51,659	5,59,609	5,64,000
2. Charitable allowances	387	1,080	1,056	3,000
Total ...	5,53,714	5,52,739	5,60,665	5,67,000

Rs.

Average ... { 1897-98 to 1901-02 ... 6,11,557
1901-02 to 1904-05 ... 5,58,529

25. The figures do not show any material variations, such variations as actually occurred were due to payments having either remained in or paid in arrears. The actuals of 1904-05 are however likely to be in excess of the estimate by about Rs. 1,04,000. The Angria family pension had remained in arrears to the extent of Rs. 54,000, and it was expected that these would be paid in March 1904. No provision was accordingly made in the estimates of 1904-05. The amount was however not paid in March and will have to be met in the current year. A sum of about Rs. 50,000 will also be due on account of the pension of Zia-ul-nissa Begum as Government have decided to treat the payment of Rs. 3,50,000 to her in 1897-98 as a loan. (G. R., P. D., No. 3698, dated 7th June 1904.)

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The average is less than that of 1897-98 to 1901-02. This is due to lapses and to the actuals of 1897-98 having included the large payment referred to above.

28.—Civil Furlough and Absentee Allowances.

	Actuals.			Budget.
	1901-1902.	1902-1903.	1903-1904.	1904-1905.
	Rs.	Rs.	Rs.	Rs.
Allowances	441	1,002	159	1,000

		Rs.
Average ...	1897-98 to 1901-02 ...	2,019
	1901-02 to 1904-05 ...	651

26. No remarks.

29.—Superannuation Allowances and Pensions.

	Actuals.			Budget.
	1901-1902.	1902-1903.	1903-1904.	1904-1905.
	Rs.	Rs.	Rs.	Rs.
1. Imperial Marine Department Pensions ...	39,114	39,098	46,928	45,000
2. Pensions of the Military Fund ...	12,949	11,304	11,944	8,000
3. Pensions of the Military Orphan Fund...	3,238	5,384	6,007	5,000
4. Pensions of the Bombay Civil Fund ...	3,333	...	533	3,000
5. Refunds—				
Donations to Service Fund	108	...	...	...
Pensions of the Madras Civil Fund ...	...	...	1,114	...
Total ...	58,742	55,786	66,526	61,000

		Rs.
Average ...	1897-98 to 1901-02 ...	72,937
	1901-02 to 1904-05 ...	60,513

27. The average of the actuals of the four years under review is expected to amount to Rs. 60,513 against Rs. 72,937 of the previous five years, the decrease in the average being chiefly due to a falling off in Marine Department Pensions owing to lapses. The high actuals of 1903-04 against Imperial Marine Department Pensions were due to the commutation of pensions amounting to Rs. 6,083. The absence of any charges in 1902-03 under the head Pensions of the Bombay Civil Fund was due to the transfer of the pension to the India Office, while the provision of Rs. 3,000 has been made under this head on account of the re-transfer of another pension to this Presidency.

30.—Stationery and Printing.

	Actuals.			Budget.
	1901-1902.	1902-1903.	1903-1904.	1904-1905.
	Rs.	Rs.	Rs.	Rs.
Stationery purchased for Central Stores ...	5,62,422	5,01,795	4,74,067	5,10,000

		Rs.
Average ...	1897-98 to 1901-02 ...	4,49,583
	1901-02 to 1904-05 ...	5,12,071

28. The actuals of 1901-02 represent the highest figure during the period under review, the increase being due to large purchases of stationery in that year. The low actuals of 1903-04 were due to a slack demand for paper from certain presses, and to certain kinds of paper and typewriting materials having been obtained by indent from England.

The higher average expenditure for the period under review as compared with that for 1897-98 to 1901-02 is due to the gradual substitution of articles manufactured in the country for European stores, and to the increasing demands of the Public Departments.

32.—Miscellaneous.

	Actuals.			Budget.
	1901-02.	1902-03.	1903-04.	1904-05.
	Rs.	Rs.	Rs.	Rs.
1. Charges for Remittance of Treasure ..	81,759	43,144	47,841	48,000
2. Miscellaneous and Unforeseen Charges ...	23,649	32,831	73,861	80,000
3. Miscellaneous Refunds	857	1,365	789	1,000
4. Loss on Specie Remittance	...	7	6	...
5. Interest on Guaranteed Loans to Native States	...	...	19,607	3,01,000
6. Coronation Celebration Charges ...	...	3,636	...	...
Total ...	1,06,265	80,983	1,42,104	4,30,000

		Rs.
Average ...	1897-98 to 1901-02 ...	1,00,454
	1901-02 to 1904-05 ...	1,89,838

29. The increase in the average expenditure is mainly due to interest on Guaranteed Loans to Native States, the payment of which was sanctioned in G. I., Foreign Dept., No. 4498-I.-A., dated 29th September 1903. The charges on account of destitute pilgrims have also contributed to an increase under "Miscellaneous and Unforeseen Charges." The large increase under this head in 1903-04, was due to the fact that Bombay was declared as the Port of embarkation of destitute pilgrims. The charges for "Remittance of Treasure" show a falling off when compared with the previous period. This was chiefly due to larger remittances to the famine districts and for the purpose of the Babashai coinage in 1900-01.

33.—Famine Relief.

	Actuals.			Budget.
	1901-02.	1902-03.	1903-04.	1904-05.
	Rs.	Rs.	Rs.	Rs.
In charge of Civil Officers—				
Salaries and Establishment	2,01,430	1,01,801	...	...
Relief Works in charge of Civil Officers...	9,65,433	3,51,886	...	...
Relief to people employed otherwise than on Relief Works	2,06,582	1,01,283	...	...
Gratuitous Relief	16,26,495	10,44,200	...	...
Miscellaneous	—1,559	25,104	...	...
Total in charge of Civil Officers ...	29,98,381	16,24,274	...	...
In charge of Public Works Officers ...	47,64,813	23,75,001	...	...
Total ...	77,63,194	39,99,275	...	...

30. The charges for 1901-02 and 1902-03 were treated as Imperial while in the absence of Government of India orders, the charges for 1903-04 (which amount to Rs. 1,638 only) have been treated as Provincial. Relief Works were entirely closed from January 1903.

CONCLUDING REMARKS.

31. Statements A and B show in thousands of rupees the Imperial Revenue and Expenditure during the years under review, the departmental figures, except under 33.—Famine Relief, having been excluded. It will be observed that the Imperial Revenue and Expenditure during the four years under review were :—

	Wholly Imperial.	Divided.	Total.
Revenue	... 28,11,61	10,61,82	38,73,43
Expenditure	... 8,12,15	80,64	8,92,79

while for the preceding period the figures were as follows :—

	Wholly Imperial.	Divided.	Total.
Revenue	.. 26,38,21	10,77,02	37,15,23
Expenditure	... 10,68,35	86,73	11,55,08

and the average of the two periods was as follows :—

	1897-98 to 1900-01.	1901-02 to 1904-05.
Revenue	... 9,28,81	9,68,36
Expenditure	... 2,88,77	2,23,20

32. The figures thus show that while the wholly Imperial Revenue has increased the wholly Imperial Expenditure has declined. The increase in revenue was chiefly due to increased receipts from Customs and Mint, but the increase under the latter head was nominal, as the net gain was transferred to the Gold Reserve Fund and did not affect the surplus. The decline in Expenditure was chiefly under Famine.

33. As regards the divided Revenue as compared with the estimates taken for the Provincial Settlement the Imperial portion of the divided Revenue and Expenditure is as follows :—

	Revenue.	Expenditure.
Estimated for the purpose of the settlement	... 12,84,32	85,72
Expected for the 4 years under review	... 10,61,82	80,64

The decrease in the revenue has been due to the large transfers made through the Land Revenue head to Provincial. Whereas according to the original settlement the transfers would have amounted to 3,04,80 in four years, they have actually amounted (subject to any alteration which may be necessary later in the course of 1904-1905) to 5,79,62. Actual decline in revenue took place only under "Forests." On the expenditure side there was a decrease under "Refunds and Drawbacks" and "Forests." The variations have been explained in detail in my note on the position of the Provincial Government.

34. In the above figures the Budget figures have been taken for 1904-05. The actual results for the year will no doubt vary considerably from the sanctioned budget figures, but it is too early in the year to make any definite changes.

O. T. BARROW,
Accountant General.

Bombay, Accountant General's Office,
21st September 1904.

STATEMENT A.

Showing the Imperial Receipts during the 3 years ending 31st March 1904 and the Budget Estimate for 1904-1905.

(In thousands.)

Major Head of Account.	Proportionate figures for years from 1898-99.	Actuals.			Budget Estimate.	Total of 3 years and Budget, 1904-1905.	Average of 4 years.
		1901-1902.	1902-1903.	1903-1904.	1904-1905.		
Wholly Imperial.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
II.—Opium ...	...	81,76	99,59	1,31,16	1,15,00	4,27,51	1,06,88
III.—Salt ...	...	2,32,40	2,40,04	1,85,56	1,84,10	8,42,10	2,10,52
VII.—Customs ...	...	2,42,05	2,33,73	2,34,66	2,34,76	9,45,20	2,36,30
VIII.—Assessed Taxes ...	...	93	59	53	66	2,71	68
XI.—Tributes from Native States ...	...	13,06	14,13	14,29	17,15	58,63	14,66
XII.—Interest ...	...	14,89	16,43	22,84	13,71	67,87	16,97
XV.—Mint ...	...	51,45	56,04	3,23,34	24,05	4,54,88	1,13,72
XXII.—Receipts in aid of Superannuation ...	...	1,05	1,11	1,28	1,28	4,72	1,18
XXIII.—Stationery and Printing ...	...	36	1	2	2	41	10
XXV.—Miscellaneous ..	...	62	1,45	1,66	3,85	7,58	1,89
Total, Wholly Imperial ...	...	6,38,57	6,63,12	9,15,34	5,94,58	28,11,61	7,02,90
Divided.							
I.—Land Revenue—Shared (¾) ...	2,71,77	2,68,83	2,37,53	3,00,34	2,97,75	11,04,45	2,76,11
Adjustments ...	—76,20	—1,89,42	—1,55,12	—1,12,83	—1,22,25	—5,79,62	—1,44,90
IV.—Stamps (¼) ...	13,75	15,68	14,98	15,37	15,37	61,40	15,35
V.—Excise (¾) ...	75,75	79,01	81,37	89,97	90,00	3,40,35	85,09
VIII.—Assessed Taxes (½) .	16,72	18,53	19,24	17,90	18,42	74,09	18,52
IX.—Forest (½) ...	16,75	11,90	11,65	13,76	12,65	49,96	12,49
X.—Registration (½) ...	2,54	2,97	2,65	2,77	2,80	11,19	2,80
Total, Divided ...	3,21,08	2,07,50	2,12,30	3,27,28	3,14,74	10,61,82	2,65,46
Grand Total ...	3,21,08	8,46,07	8,75,42	12,42,62	9,09,32	38,73,43	9,68,36

STATEMENT B.

Showing the Imperial Disbursements during the 3 years ending 31st March 1904 and the Budget Estimate for 1904-1905.

(In thousands.)

Major Head of Account.	Proportionate figures for years from 1898-99.	Actuals.			Budget Estimate.	Total of 3 years and Budget, 1904-1905.	Average of 4 years.
		1901-1902.	1902-1903.	1903-1904.	1904-1905.		
Wholly Imperial.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
1.—Refunds and Drawbacks.	...	8,66	13,96	9,28	6,23	38,13	9,53
2.—Assignments and Compensation ...	...	...	...	1	2	3	1
4.—Opium ..	...	26	29	25	26	1,06	26
5.—Salt ...	...	17,12	17,21	17,76	18,45	70,54	17,64
9—Customs ...	...	8,65	8,85	9,13	10,05	36,68	9,17
13.—Interest on Ordinary Debt ...	...	...	...	...	...	...	...
14.—Interest on other obligations ...	...	2,32	2,33	2,68	2,52	9,85	2,46
17.—Mint ...	...	41,80	50,54	3,08,73	25,22	4,26,29	1,06,57
18.—General Administration .	...	4,15	4,23	4,14	4,35	16,87	4,22
23.—Ecclesiastical ...	...	3,40	3,20	3,48	3,62	13,70	3,42
25.—Political ..	...	4,88	6,55	7,16	7,13	25,72	6,43
26.—Scientific and other Minor Departments ...	...	1,51	40	39	49	2,79	70
27.—Territorial and Political Pensions ...	...	5,54	5,53	5,61	5,67	22,35	5,59
28.—Civil Furlough and Absentee Allowances ...	...	1	1	...	1	3	1
29.—Superannuation Allowances and Pensions ...	...	59	56	66	61	2,42	61
30.—Stationery and Printing.	...	5,62	5,02	4,74	5,10	20,48	5,12
32.—Miscellaneous ...	...	1,06	81	1,42	4,30	7,59	1,90
33.—Famine Relief, Civil ...	...	29,98	16,24	...	...	46,22	11,55
Do. Public Works Department ...	...	47,65	23,75	...	...	71,40	17,85
Total, Wholly Imperial ...	...	1,83,20	1,59,48	3,75,44	94,03	8,12,15	2,03,04
Divided.							
1.—Refunds and Drawbacks.	3,36	3,15	2,84	2,85	3,15	11,99	3,00
2.—Assignments and Compensations ...	2,82	2,86	2,92	3,14	3,16	12,08	3,02
6.—Stamps ...	57	62	55	59	59	2,35	59
7.—Excise ...	2,72	2,65	2,66	3,03	3,56	11,90	2,97
10.—Assessed Taxes ...	23	35	37	36	37	1,45	36
11.—Forest ...	10,34	8,60	8,98	8,86	9,40	35,24	8,81
12.—Registration ...	1,36	1,46	1,36	1,39	1,42	5,63	1,41
Total, Divided ...	21,43	19,69	19,08	20,22	21,65	80,64	20,16
Grand Total ...	21,43	2,02,89	1,78,56	3,95,66	1,15,68	8,92,79	2,23,20

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NOTE

ON THE

POSITION OF THE

IMPERIAL GOVERNMENT

DURING THE

SIXTH PROVINCIAL SETTLEMENT
1901-02 TO 1904-1905,

BY

O. T. BARROW, I. C. S.,
ACCOUNTANT GENERAL.

CXII

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